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BUSINESS AVIATION

DAVE COLLOGAN/EDITOR
MONICA MOORE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

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NTSB ASKS FAA TO CONDUCT CERTIFICATION REVIEW OF MU-2 AIRCRAFT

National Transportation Safety Board last week asked the Federal Aviation Administration to conduct a special certification review of Mitsubishi MU-2 airplanes "in view of the continued involvement of the MU-2 in fatal accidents involving engine failure or malfunction and sudden unexplained loss of control." Citing 22 fatal accidents since 1975 *(see list on the backs of Pages 66-69)*, the board said "the puzzling circumstances of several of the accidents suggest that some of the causal circumstances may be design-related or design-induced."

The most recent unexplained accident regarding an MU-2 occurred March 24 when an aircraft operated by McCauley Aviation broke up in flight and crashed near Jeffersonville, Ga. killing four persons *(BA, March 28/98)*. NTSB has specifically asked FAA to review the MU-2 relative to the engines, fuel system, autopilot and flight control systems; flight in known icing conditions; engine inoperative characteristics; and handling characteristics during IMC (instrument meteorological conditions) landing approaches. Calling for a certification review of an aircraft is unusual but not unprecedented. FAA earlier conducted a review of Gates Learjet 20 and 30 Series aircraft *(BA, May 18, 1981/155)*.

Mitsubishi officials first learned of the NTSB recommendations last Thursday when contacted by *BA*. An MAI spokesman Friday said the company was "surprised" to hear about the board's request for a certification review "since the FAA Southwest Regional Office has looked at and flown the MU-2 on several occasions, giving it a clean bill of health." FAA's report on the aircraft did not find any structural deficiencies, MAI said, however the aircraft was not retested in known icing conditions.

MAI said it was aware of the MU-2's "accident record difficulty" and was "working with the FAA" on the problems. Last year Mitsubishi sponsored 10 PROP (Pilot Review of Proficiency) seminars and offered discounts on FlightSafety MU-2 recurrency and initial training. "Our studies show that 80 percent of the (MU-2) accidents were caused by pilot error," the Mitsubishi spokesman said.

VAN SANT NAMED CESSNA PRESIDENT, CHIEF OPERATING OFFICER

R.W. (Bill) Van Sant, 45, a 26-year veteran of Deere & Company, Moline, Ill., was named president and chief operating officer of Cessna Aircraft last week. Van Sant will report to Russ Meyer, chairman and chief executive officer, who also had served as president and chief operating officer since 1978.

Van Sant held a variety of positions with Deere, the latest being vice president of manufacturing and engineering services with companywide responsibility for manufacturing engineering, materials procurement and manufacturing research and development. Although not a pilot, he was the company official responsible for Deere's company aircraft fleet, which includes three Citation IIs. Deere also was one of the biggest customers for Cessna's Fluid Power Division products.

Meyer said Van Sant will have responsibility for all of Cessna's operating divisions, including the Pawnee and Wallace Aircraft Divisions in Wichita, the Fluid Power Division in Hutchinson, Kan., the McCauley Accessory Division in Dayton, Ohio, the ARC Avionics Division in Boonton, N.J. and Cessna's associate, Reims Aviation, S.A. in Reims, France. Most of those operations had previously reported to Chuck Husick, a senior vice president of Cessna. Husick told *BA* that the move will relieve him of the heavy travel schedule

(Continued on the following page)

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BUSINESS AVIATION BRIEFS

FEDERAL AVIATION ADMINISTRATION issued an emergency airworthiness directive last month restricting the flight of British Aerospace Jetstream 31 aircraft into known or forecast icing conditions. The AD also prohibits extension of the aircraft's flaps beyond 20 degrees. FAA said the actions were necessary because the Jetstream 31 may experience short period pitch oscillations that are aggravated by accumulation of ice on the tail or extension of the flaps beyond 20 degrees. FAA said the flap restriction will increase approach speeds and increase scheduled field lengths by 20 percent.

* * *

THE E.F. HUTTON GROUP has purchased a majority position in the common stock of S-A-L Inc., the newly formed holding company for Summitt Airlines, Summitt President Joseph W. Wear said. Hutton also has assisted in obtaining a new bank credit facility that will provide Summitt with up to $4.5 million. Wear said the new capital will provide the all-cargo airline with funds needed for its rapidly expanding business, adding that the company "looked forward to its affiliation with the E.F. Hutton Group." S-A-L Inc. board was increased to include some Hutton representatives. The company has 450 employes and flies five Convair 580 freighters and one DC-9 and plans to add two more Convairs.

* * *

AIR TRAFFIC CONTROLLERS currently working for FAA are slightly older, but are better educated than the controller work force that existed prior to the August 1981 strike by PATCO. FAA officials said the average pre-strike controller was 27 years old. Some 87 percent had attended college and 36 percent had obtained a college degree. As of July 31, 1983, the average FAA controller was 28 years old, 91 percent had attended college and 47 percent had obtained a college degree.

* * *

PRESIDENT REAGAN has signed into law H.R. 3329, the Transportation Department appropriations bill for fiscal 1984. The legislation provides funding levels for FAA programs sharply lower than those specified in the Airport Improvement Program legislation passed last year *(BA, July 25/25).*

* * *

JAPANESE AIRCRAFT MANUFACTURING INDUSTRY has called for more government subsidy to help the industry catch up with U.S. and European counterparts. Japanese International Trade and Industry Minister Sosuke Uno and Soichiro Suenga, president of Mitsubishi Heavy Industries, said total sales are equivalent to only 1/34 of the sales of U.S. manufacturers, 1/5 of British or French firms and 1/3 of West German companies. The Japanese government will provide about $9.8 million in subsidies in the fiscal year that ends in March 1984 for work on a 150-seat airliner in conjunction with foreign manufacturers and over $20 million for work on a new jet engine with Pratt & Whitney and Rolls-Royce.

* * *

BEECH HOLDINGS INC. has named Hal Spragins vice president-general manager of Ohio Aviation Company. Spragins, former president of Memphis Aero Corp., will be responsible for Ohio Aviation's fixed-base operations at James M. Cox/Dayton Municipal Airport in Dayton, Cuyahoga County Airport in Cleveland, and Lunken Airport in Cincinatti.

* * *

EDWARDS & KELSEY INC., a Livingston, N.J.-based consulting firm, has been selected by the New Jersey Department of Transportation to develop a federal grant supporting a Statewide Helicopter System Plan Study. Purpose of the study is to provide a comprehensive plan for the development of helicopter facilities in the state over a 20-year period, to determine specific locations where there is an existing or potential demand for rotorcraft facilities and to develop design and environmental criteria for future growth. Cost for the system plan study is $59,900; the final draft is scheduled for completion in 12 months.

* * *

REVISED AIRPORT AND AIRWAY TRUST FUND chart for May is *on the back of Page 70.* Treasury Department said there is a $85.2 million change in current month and fiscal year-to-date for "transportation by air, seats, berths . . . and use of international travel facilities due to re-classification."

STATUS OF AIRPORT AND AIRWAY TRUST FUND
May 1983 Revised

		Current Month	Fiscal Year to Date
I.	BALANCE - BEGINNING OF PERIOD	$ 4,750,018,112.26	$ 3,881,478,472.29
II.	RECEIPTS:		
A.	Excise Taxes (Transferred from General Fund):		
	1. Any liquid fuel other than gasoline	2,744,257.00	46,229,995.00
	2. Tires used on aircraft	68,000.00	625,000.00
	3. Tubes used on aircraft	8,000.00	75,000.00
	4. Gasoline:		
	a. Commercial 9 cents tax	200,000.00	990,000.00
	b. Non-commercial 9 cents tax	1,203,851.00	8,993,851.00
	c. Non-commercial 5 cents tax	422,702.00	14,925,154.00
	5. Transportation by air, seats, berths, etc.	* 54,710,169.00	* 1,134,050,169.00
	6. Use of international travel facilities	* (4,812,613.00)	* 33,645,033.00
	7. Transportation of property and cargo	10,820,557.00	64,557,976.00
	8. Use of civil aircraft	-0-	-0-
	Total Tax Receipts	65,364,923.00	1,304,092,178.00
B.	Less Reimbursement to General Fund-Refund of Taxes and Estimated Tax Credits:		
	1. Commercial avaiation gasoline	-0-	-0-
	2. Non-commercial gasoline	-0-	-0-
	3. Civil aircraft	50,433.00	127,942.00
	4. Any liquid fuel other than gasoline	111,652.00	112,264.00
	5. Gasoline - Retailer's tax	88.00	270.00
	6. Airline Ticket Refund	-0-	-0-
	7. Gasoline - Manufacturers Tax	-0-	-0-
	Total Reimbursement for Tax Refunds	162,173.00	240,476.00
	Net Tax Receipts	65,202,750.00	1,303,851,702.00
C.	Federal Payments	-0-	-0-
D.	Transfers from the General Fund	-0-	-0-
E.	Interest on Investments	588,741.28 1/	242,324,577.33
	Net Receipts	65,791,491.28	1,546,176,279.33
III.	EXPENDITURES:		
A.	Federal Aviation Administration:		
	1. Operations	55,999,270.16	275,994,611.37
	2. Grants-in-Aid for Airports	20,035,169.43	229,720,743.35
	3. Facilities and Equipment	16,746,037.83	159,160,911.10
	4. Research, Engineering and Development	3,360,776.23	43,097,045.91
B.	Aviation Advisory Commission-Salaries & Expense	-0-	-0-
C.	Interest on Refunds of Taxes	6,825.00	19,915.00
	Total Expenditures	96,148,078.65	707,993,226.73
IV.	BALANCE-END OF PERIOD	4,719,661,524.89	4,719,661,524.89

STATEMENT OF FINANCIAL CONDITION

ASSETS:		
Undisbursed Balances:		
Airport and Airway Trust Fund (20X8103)	$ (138.97) 1/	
Operations	7,248.55	
Grants-in-Aid for Airports	19,418,101.21	
Facilities and Equipment	9,193,362.34	
Research, Engineering and Development	5,920,951.76	
Aviation Advisory Commission-Salaries and Expenses	-0-	$ 34,539,524.89
INVESTMENTS:		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-7/8% maturing June 30, 1983	94,641,000.00	
11-7/8% maturing June 30, 1983	256,102,000.00	
11-1/4% maturing June 30, 1983	116,609,000.00	
11-1/2% maturing June 30, 1983	368,134,000.00	
11-3/4% maturing June 30, 1983	89,426,000.00	
12-3/8% maturing June 30, 1983	3,757,710,000.00	
12-7/8% maturing June 30, 1983	2,500,000.00	4,685,122,000.00 1/
Total Assets		4,719,661,524.89
LIABILITIES:		-0-
EQUITY:		
Excess Assets over Liabilities		$ 4,719,661,524.89
Total Liabilities and Equity		4,719,661,524.89

1/ Does not agree with TFS 6653 and MSPD due to processing error

Department of Treasury Chart